



October 21, 2011

Mignon Clyburn, Commissioner
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 01-92, CC Docket No. 96-45, and WC Docket 03-109

Commissioner Clyburn:

As the public comment portion of these proceedings comes to a close, I write to you today out of a deep respect for your commitment to the citizens of rural America and your affinity for the underdog everywhere. As a resident of rural South Carolina, I was privileged to witness your commitment to rural South Carolina consumers when you served on the state Commission. All rural consumers should join me in their gratitude for your service at the FCC.

As you are probably aware, the Chairman's office has provided briefings on the proposed order to selected parties which has led to a proliferation of reports and rumors about the pending order. Like most individuals who are interested in the outcome of these proceedings, I have not been privy to the briefings. Based on the reports that I have heard, I must express grave concerns regarding the impact of the pending order on rural consumers throughout the nation including the rural South Carolina consumers whom you know first-hand, such as those served by Home Telephone Company.

I know you face the difficult challenge of sorting through all the conflicting positions and voting on complex, detailed specific rule changes that will shape the development of broadband in our nation for years to come. Adding to this tremendous responsibility is the reality that this decision will have major impacts on the nation's economic health and the welfare of countless individuals. I am grateful that you, with your experience as a former state commissioner and understanding the role of rural carriers in rural communities, will have a decision-making voice in this process which will significantly impact your home community.

As you know from your own experience in the private sector, it is not easy to operate a small business in the best of times; the current economy greatly magnifies the difficulties. As you reflect on your position on the critical, yet complex matters before you I ask that you consider one paramount question: **Will this order provide the clarity necessary for a small business to make investments and provide universal services in a high cost-to-serve area where the consumers face severe economic challenges?**

Paraphrasing the words of the Communications Act that underscore universal service policy, will the adoption of the proposal provide predictable and sufficient funding so that a universal service provider can plan its investments and expenses in a manner that affords the provider a reasonable opportunity to recover the costs of providing universal service while maintaining reasonable rates affordable to rural consumers residing in rural areas?

The economic development and the provision of healthcare and education in rural communities in South Carolina and across the nation depend on your answer. The well-being of so many individuals including the rural consumers served by companies like Home Telephone, and the employees of rural companies across the nation are also dependent on your answer. These companies have been committed to the provision of advance universal services to their communities and have made substantial financial investment to make such service a reality.

In our discussions over the last year I have stressed two specific issues that go to the heart of the question and provide a foundation for an answer that fosters the delivery of service to rural consumers at reasonable rates:

1) Rural carriers that have made investment commitments to provide networks that deliver advanced services to rural consumers in accordance with existing FCC policy and the policy objectives of other government programs should be allowed to recover the established costs and investments they made in good faith to carry out these objectives; and

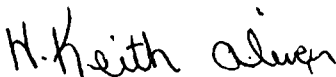
2) Universal Service funding mechanism for future investments should be clear, predictable and sufficient before additional investments are required.

As you consider the detailed operational specifics of the proposed order circulated by the Chairman, I would respectfully ask that you determine whether the proposed rule changes are consistent with these two fundamental principles. These principles are not only based on the Act and existing rules and policy, but necessary to sustain and maintain universal service provided by the nation's rural carriers. These carriers, through their investments, have demonstrated their commitment to the provision of universal service, and these past investments were fully subject to the Commission's authority and direction.

In closing, I know that additional communication on these issues will soon be prohibited as these proceedings enter into Sunshine. I know from first-hand experience that you will stand as the voice for those who are otherwise unheard and the champion of straight-forward common sense needed to calm a tidal wave of complexity.

I look forward to continuing to work with you on these and other issues after the decision is rendered next week.

Respectively submitted:



H. Keith Oliver
Senior Vice President
Corporate Operations
Home Telephone, Inc.